

# Appendix D | Revenue Sources

The 12 funding sources presented in Table 5.2 that routinely fund the development of bicycle facilities and, in some cases, programs are detailed in this appendix. For each source, the fund origin, average annual funding levels, and eligible projects and applicants are provided.

The first six funding sources are administered by MTC, including federal funds (Transportation Enhancements (TE) and Congestion Management and Air Quality Improvement (CMAQ) programs) and state funds (State Transportation Improvement Program (STIP) and Transportation Development Act (TDA)). Some of these, such as TE, are allocated directly to Bay Area claimants, while MTC uses others, such as CMAQ and STIP funds,

to finance Bay Area-specific funding programs such as Transportation for Livable Communities (TLC). With reauthorization of the federal surface transportation act, Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), expected in 2010, CMAQ- funded programs may need to change significantly.

Regional agencies beyond MTC administer bicycle project funding, including the Association of Bay Area Governments through the Bay Trail Grant Program and the Bay Area Air Quality Management District through the Transportation Fund for Clean Air (TFCA). State funding sources for bicycle projects described in this appendix include the Hazard Elimination Safety

(HES) program, the Bicycle Transportation Account (BTA) and the Safe Routes to School (SR2S) program, which are all administered by Caltrans. Although completely unrelated to each other, the region's seven transportation sales tax measures are treated as a single source in this write-up.

## **Bay Area funding sources for bicycle projects and programs**

### **Transportation Enhancements (TE)**

Under the Transportation Enhancements program, California receives approximately \$60 million per year from the federal government to fund projects and activities that enhance and have a direct relationship to the surface transportation system. The

program funds projects under 12 eligible categories, including the provision of bike lanes, trails, bicycle parking and other bicycling facilities; safety-education activities for pedestrians and bicyclists; landscaping, streetscaping and other scenic beautification projects; and the preservation of abandoned railway corridors and their conversion to trails for nonmotorized transportation. Under California's TE program, administered by Caltrans, 75 percent of funding is distributed by the regional transportation planning agencies. In the Bay Area, MTC allocates money through its Transportation for Livable Communities program (see below). The remaining 25 percent is allocated by Caltrans at the district level.

[www.fhwa.dot.gov](http://www.fhwa.dot.gov)  
[www.dot.ca.gov](http://www.dot.ca.gov)

### Transportation for Livable Communities (TLC)

MTC created TLC in 1998 to provide technical assistance and funding to cities, counties, transit agencies and nonprofit organizations for capital projects and community-based planning that encourage multimodal travel and the revitalization of

town centers and other mixed-use neighborhoods. The program funds projects that improve bicycling and walking to transit stations, neighborhood commercial districts and other major activity centers.

[www.mtc.ca.gov/planning/smart\\_growth/tlc\\_grants.htm](http://www.mtc.ca.gov/planning/smart_growth/tlc_grants.htm)

### Regional Bikeway Network program

Just prior to press time, MTC pledged to fully fund the Regional Bikeway Network described in Chapter 4, with the exception of the toll bridge links. Although a program has not yet been created to fulfill this commitment, the concept is to create a program that by 2035 will complete construction of the Regional Bikeway Network. This program will replace the Regional Bicycle and Pedestrian Program (RBPP), which was created in conjunction with the 2001 *Regional Transportation Plan*.

### Safe Routes to Transit (SR2T)

Safe Routes to Transit is a grant-funding program that is part of the Bay Area's Regional Measure 2 (RM2), which instituted a \$1 toll increase on the Bay Area's seven state-owned toll bridges. Through the SR2T

program, \$20 million is to be allocated through the year 2013 on a competitive basis to programs, planning efforts and capital projects designed to reduce congestion on toll bridges by improving bicycling and walking access to regional transit services that serve toll-bridge corridors. Funds can be used for secure bike storage at transit; safety enhancements and barrier removal for pedestrian or bike access to transit; and systemwide transit enhancements to accommodate bicyclists or pedestrians. Projects that improve access to car-sharing pods are also eligible. The SR2T program is administered by two nonprofit organizations, the East Bay Bicycle Coalition and the Transportation and Land Use Coalition, with MTC serving as the fiscal agent. The program awarded approximately \$3.9 million during each of its first two cycles, in 2005 and 2007. Future funding cycles are scheduled to occur in 2009, 2011 and 2013.

[www.transcoalition.org](http://www.transcoalition.org)

### Transportation Development Act, Article 3 (TDA-3)

Article 3 of California's Transportation Development Act is perhaps the most

readily available source of local funding for bicycle and pedestrian transportation projects. TDA funds are derived from a statewide ¼-cent retail sales tax. This tax is returned to the county of origin and distributed to the cities and county on a population basis. Under TDA Article 3, 2 percent of each entity's TDA allocation is set aside for bicycle and pedestrian projects, which generates approximately \$2.9 million in the Bay Area annually. Eligible projects include the design and construction of bike paths and bike lanes, bicycle-safety education programs, and the preparation of comprehensive bicycle or pedestrian plans. According to MTC Resolution 875, these projects must be included in an adopted general plan or bicycle plan and must have been reviewed by the relevant city or county bicycle advisory committee. (These requirements are unique to MTC's program.) Eligible applicants include cities, counties and joint-powers agencies. In the Bay Area, project requests are compiled annually by each county's congestion management agency (CMA). Each CMA then submits a single countywide request for review and approval by MTC.

[www.mtc.ca.gov/funding/STA-TDA/RES-0875.doc](http://www.mtc.ca.gov/funding/STA-TDA/RES-0875.doc)

### Climate Action Program

In partnership with the Bay Area Air Quality Management District, Bay Conservation Development Commission and the Association of Bay Area Governments, MTC is sponsoring a five-year transportation Climate Action Program designed to reduce mobile emissions through an education campaign, grant program, transit traffic signal priority project, regional telecommuting pilot project, consumer incentive program to reduce trips and drive smart, a "plug-in hybrid electric vehicle" incentive program and new safe routes to school and safe routes to transit funding. The program will include funding for bicycle projects through new regional Safe Routes to School and Safe Routes to Transit programs with funding expected to be an average of about \$20 million per year, for a total of about \$100 million over the planned five-year lifespan of the program. This funding is in addition to the state and federal Safe Routes to School programs and MTC's existing Safe Routes to Transit program.

### Bay Trail grants

The San Francisco Bay Trail Project – a non-profit organization administered by the Association of Bay Area Governments – provides grants to plan, design and construct segments of the Bay Trail, a 500-mile multiuse path encircling San Francisco and San Pablo bays that is now halfway built. In summer 2007, the Bay Trail Project announced a new, \$2.5 million round of grant funding, with funds made available from Proposition 84, the 2006 Clean Water, Parks and Coastal Protection Bond Act. Permitting costs and trail projects required as part of a permit approval or as mitigation for another project are not eligible. Eligible applicants include cities, counties, special districts, federal and state government agencies, land trusts and nonprofit organizations. There are no minimum or maximum grant amounts and the grant application period will remain open until all funds have been allocated.

[www.baytrail.org/grants.html](http://www.baytrail.org/grants.html)

### Transportation Fund for Clean Air (TFCA)

The Transportation Fund for Clean Air is a grant program funded by a \$4 surcharge on

motor vehicles registered in the Bay Area. The purpose of the program, which is administered by the Bay Area Air Quality Management District (BAAQMD), is to fund projects and programs that will reduce air pollution from motor vehicles. A sub-program of the TFCA is the Bicycle Facility Program (BFP), which provides funding for bicycle paths, lanes and signed routes, bicycle parking, bus racks and the like. In fiscal year 2007-08, \$600,000 was available under the BFP, for grants ranging from \$10,000 to \$210,000. Grant awards are generally made on a first-come, first-served basis to qualified projects. All public agencies with the authority to implement bicycle-related projects within the BAAQMD's jurisdiction are considered eligible applicants. Funding for bicycling projects is also available through the TFCA's County Program Manager Fund. Under that subprogram, 40 percent of TFCA revenues collected in each Bay Area county is returned to that county's congestion management agency (CMA) for allocation. Applications are made directly to the CMAs, but must also be approved by BAAQMD.

[www.baaqmd.gov](http://www.baaqmd.gov)

### Hazard Elimination Safety (HES)

Administered in California by Caltrans, the federal Hazard Elimination Safety program provides funds to eliminate or reduce the number and severity of traffic collisions on public roads and highways. Cities and counties compete for HES funds by submitting candidate projects to Caltrans for review and analysis. Caltrans prioritizes these projects statewide and approves priority projects for funding through its annual HES program plan. Historically, only about 20 percent of applications are approved for funding. In the 2005-2006 program cycle, Caltrans awarded approximately \$16 million under the HES program.

[www.dot.ca.gov](http://www.dot.ca.gov)

### Bicycle Transportation Account (BTA)

The Bicycle Transportation Account is a Caltrans-administered program that provides funding to cities and counties for projects that improve the safety and convenience of bicycle commuting. Eligible projects include secure bike parking; bike-carrying facilities on transit vehicles; installation of traffic-control devices that

facilitate bicycling; planning, design, construction and maintenance of bikeways that serve major transportation corridors; and elimination of hazards to bike commuters. In fiscal year 2006/07, the BTA provided almost \$9.2 million for projects throughout the state. To be eligible for BTA funds, a city or county must prepare and adopt a bicycle transportation plan that meets the requirements outlined in Section 891.2 of the *California Streets and Highways Code*.

[www.dot.ca.gov/hq/LocalPrograms](http://www.dot.ca.gov/hq/LocalPrograms)

### Safe Routes to Schools (SR2S)

California's Safe Routes to Schools is a Caltrans-administered grant-funding program established in 1999 (and extended in 2007 to the year 2013). Eligible projects include bikeways, sidewalks, crosswalks, traffic signals, traffic-calming applications, and other infrastructure projects that improve the safety of walking and biking routes to elementary, middle and high schools, as well as "incidental" education, enforcement and encouragement activities. Planning projects, on the other hand, are not eligible. In fiscal years 2006/07 and 2007/08, approximately \$26.8 million and \$25.5

million respectively were available in grant funding.

[www.dot.ca.gov/hq/LocalPrograms](http://www.dot.ca.gov/hq/LocalPrograms)

### Countywide sales taxes

With the exception of Napa and Solano counties, the voters in every Bay Area county have passed local ballot measures that levy a sales tax to fund local transportation projects. The expenditure plans for all seven measures allow funds to be used for bicycle projects and all but Santa Clara County set aside a fixed amount for a bicycle/pedestrian funding program (see Table F-2).

